

CITY OF NEWPORT NEWS PERSONNEL ADMINISTRATIVE MANUAL

Effective: 4/30/97

SECTION

612

SUPPLEMENTAL PAY POLICIES AND PROCEDURES

I. <u>GENERAL</u>

Supplemental pay may be granted to employees who, in addition to their regular job functions and responsibilities, have additional responsibilities requiring specific and additional skills, certifications or licenses.

II. <u>ADMINISTRATION OF SUPPLEMENTAL PAY</u>

SUBJECT

- A. Each function which qualifies for supplemental pay will be identified and the requirements of the function will be specified prior to presentation to City Council for approval. A description of the supplemental function, the requirements for selection and the selection procedure must be approved by the Director of Personnel prior to any selections being made.
- B. Selections for supplemental pay functions will be made on a competitive selection basis when there are a limited number of assignments.
- C. Failure to meet the requirements and conditions for continued eligibility for supplemental pay will disqualify an employee for supplemental pay.
- D. Promotion, demotion or transfer to another position, department, division or assignment which does not involve the employee's services in the supplemental pay function will disqualify an employee for supplemental pay.
- E. Employees may be removed from a supplemental pay assignment for any reason including operating needs, operating efficiency, and employee performance in the supplemental pay function. Department heads maintain the authority to transfer, assign and effect employee placement.
- F. Regular part-time and temporary employees are not eligible for supplemental pay.

AMENDS/SUPERSEDES SECTION 612, 7/1/92 REFERENCES

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III. COMPENSATION POLICIES

SUBJECT

- A. Supplemental pay is stated in terms of a flat annual, monthly, or hourly payment, and is paid in addition to the employee's regular base salary. Supplemental pay is not based on a percentage factor.
- B. Supplemental pay is considered as gross wages for purposes of retirement fund contributions, federal and state withholding, FICA taxes and other withholdings and contributions based on gross wages paid.
- C. Supplemental pay is incorporated in hourly wages for the computation of overtime. Where supplemental pay is stated as an annual or monthly amount, the hourly equivalent is determined by dividing the annual amount by the number of regularly scheduled work hours in a year.
- D. Supplemental pay is not considered as base salary for purposes of computing holiday differential pay, or any other payments computed on base annual salary or base hourly rate of pay.
- E. Supplemental pay will not be considered as a part of base salary for the computation of any general increases, merit increases, incentive pay, promotional increases or any other salary actions which are based on or affect base pay.
- F. Supplemental pay is not incorporated in base wages for purposes of calculating life insurance coverage eligibility or any other benefit other than those based on gross wages paid.
- G. Supplemental pay will be awarded each pay period, provided the employee has maintained requirements and has been performing or has been available for the assigned function. Any condition or circumstance which makes the employee unavailable to perform the function will render the employee ineligible for supplemental pay during that time, within the following guidelines:
 - 1. Employees on paid leave or Workers' Compensation for less than two full consecutive semi-monthly pay periods or less than four full consecutive weekly pay periods will continue to receive supplemental pay during the absence.
 - 2. Employees on paid leave for at least two full consecutive semi-monthly pay periods or at least four full consecutive weekly pay periods will not receive supplemental pay during the absence.

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- 3. Employees on leave without pay for at least one full semi-monthly or one weekly pay period will not receive supplemental pay during the absence.
- 4. Employees on disciplinary suspension without pay for a full week will not receive supplemental pay during that week.
- 5. An employee temporarily assigned to another department, division, or assignment not requiring the employee's service in the supplemental pay function will not be eligible to receive supplemental pay during the course of the assignment provided the assignment extends for at least two full consecutive semi-monthly pay periods or for at least four full consecutive weekly pay periods. If the assignment extends for less than two full consecutive semi-monthly pay periods or less than four full consecutive weekly pay periods, the employee will continue to receive supplemental pay.

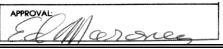
To effect supplemental pay, the department will issue a Status Change Notice for the employee indicating the effective date and a comment under the "Remarks" section as to the type and amount of supplemental pay the employee is to receive.

Departments may inactivate supplemental pay for a temporary period of time. However, to remove an employee from a supplemental pay assignment, the department shall submit a Status Change Notice to the Personnel Department indicating the effective date, the type of supplemental pay being eliminated, and the reason for the removal of supplemental pay.

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